

Message Text

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ACTION PM-07

INFO OCT-01 EA-11 ISO-00 DODE-00 NSC-07 SP-03 SS-20 RSC-01

CIAE-00 INR-11 NSAE-00 AID-20 IGA-02 EB-11 L-03 DRC-01

/098 W

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R 180500Z JUL 74

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC 3412

INFO CINCPAC

C O N F I D E N T I A L JAKARTA 8847

CINCPAC FOR POLAD

E.O. 11652: GDS

TAGS: MASS, ID

SUBJ: OV-10 AIRCRAFT FOR INDONESIA

REF: A) STATE 151518 (NOTAL) B) JAKARTA 10420 AUG 73 (NOTAL)

C) CHUSDLG 050253 JUL 74 D) STATE 153586 (NOTAL)

SUMMARY: GOI PLANS CASH FMS PURCHASE OV-10S. DECISION TO ACQUIRE BASED ON EVALUATION OV-10 SUITED REPLACE AGING F-51. OV-10 ACQUISITION HIGH ON HANKAM PRIORITY LIST. EMBASSY'S AUGUST 1973 ASSESSMENT INDONESIAN ABILITY MAINTAIN OV-10 HAS CHANGED BECAUSE OF NUMEROUS DEVELOPMENTS WHICH INCIATE INDONESIAN AIR FORCE (IAF) WILL BE CAPABLE OPERATE AND MAINTAIN OV-10 IN TIME FRAME CONTEMPLATED. IF INDONESIANS DO NOT GET OV-10S FROM US THEY WILL BUY SIMILAR AIRCRAFT (ITALIAN MACHI-326 IN CONSIDERATION) FROM SOME OTHER NATION. DECISION MAY BE DUE IN PART EMBASSY'S URGING GOI CONSIDER PURCHASES FROM U.S. AS PART NEW MILITARY PURCHASE PLAN. POST URGES PROMPT POSITIVE ACTION ON PREPARING AND SENDING LETTER OF OFFER (L/O). END SUMMARY

1. DIRECT FMS CASH PURCHASE NOT RPT NOT FMS CREDITS

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CONTEMPLATED.

2. REF A STATES THREE TO FIVE WEEKS REQUIRED FOR PREPARATION LETTER OF OFFER. CNO MESSAGE TO CHUSDLG DATED JULY 12 "ANTICIPATES L/O PREPARATION WEEK OF 22 JULY " AND STATES "WILL INSURE EXPEDITIOUS FORWARDING OF L/O AS SOON AS FORMULATED."

3. DECISION TO PURCHASE OV-10 IS BASED UPON THE RESULTS OF IAF EVALUATION CAPABILITIES OF A VARIETY OF AIRCRAFT TO PERFORM IN COUNTER-INSURGENCY CLOSE AIR SUPPORT, LOCAL (PERMISSIVE) INTERDICTION, AND VISUAL RECON ROLES AS REPLACEMENT FOR F-51. DLG FY 76-80 PROGRAM OBJECTIVES MEMORANDUM (POM) SUBMITTED MARCH 1974 TO CINCPAC (AND SINCE APPROVED BY OASD/ISA) RECOMMENDS ACQUISITION OV-10S (ALTHOUGH IN SLIGHTLY LATER TIME FRAME) UNDER GRANT AID.

4. F-51 IS AGING AIRCRAFT BECOMING MORE DIFFICULT TO MAINTAIN AND ATTRITION IS TAKING ITS TOLL (11 OF 15 REMAIN IN SERVICE). PLAN IS TO PHASE OUT F-51 IN 76-79 TIME FRAME AND REPLACE WITH INCREASED CAPABILITY AIRCRAFT. AS A RESULT HANKAM PLACES OV-10 HIGH ON ACQUISITION PRIORITY LIST. IF IAF CAN NOT PURCHASE OV-10, IT PLANS PURCHASE SIMILAR AIRCRAFT ELSEWHERE. (ITALIAN MACH-326 UNDER CONSIDERATION).

5. ASSESSMENT IAF ABILITY TO AFFORD, OPERATE, AND MAINTAIN THE OV-10 AS STATED IN REF B WAS VIEW HELD IN AUGUST 1973. AT THAT TIME IAF WAS UNDERGOING SEVERE INTERNAL ADJUSTMENT AS FIVE RATHER LARGE PROGRAMS HAD RECENTLY BEEN ACTIVATED (C-130 IRAN, T-33, UH-34, AIRCRAFT DEPOT UPGRADE, AND F-51 PROJECTS) PLACING SUBSTANTIAL STRESS UPON ITS TECHNICAL RESOURCES. IN PERIOD OF DEVELOPMENT SINCE LATE 1973, AND TAKING ADVANTAGE OF CONUS-TRAINED RETURNING STUDENTS, IAF MADE DEFINITE PROGRESS TOWARD TECHNICAL SELF-SUFFICIENCY WHICH CLEARLY INDICATED POTENTIAL TO SUPPORT REQUIREMENTS OF THE OV-10 (ESPECIALLY IF OPERATING UNDER AUSPICES OF AN FMS SUPPLY SUPPORT AGREEMENT). EXAMPLES RECENT STEPS TOWARD SELF-SUFFICIENCY ARE: ROLL-OUT OF FIRST C-130 IRAN (APRIL);

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CONDUCT OF T-33 MODIFICATION (SUCCESSFULLY UNDERWAY - 33 PERCENT COMPLETED); OPERATIONAL READINESS OF T-33 SQUADRON (70 PERCENT OPERATIONAL RATE). WITH PROPER SCHEDULING CONUS SKILLS TRAINING, CONTINUED EMPHASIS UPON DEVELOPMENT IN-COUNTRY TRAINING CAPABILITY AND SUSTAINED EFFORT TOWARD DEVELOPMENT IAF LOGISTICS MANAGEMENT CAPABILITY, IAF SHOULD BE CAPABLE OF OPERATING AND MAINTAINING THE OV-10 EFFICIENTLY AND EFFECTIVELY IN THE POST-1975 TIME

FRAME. INDONESIA'S FINANCIAL SITUATION HAS ALSO CHANGED SUBSTANTIALLY.

6. AS DEPARTMENT KNOWFZN WE HAVE CLEAR OBJECTIVE TO MOVE INDONESIA TOWARD MILITARY PROCUREMENT RELATIONSHIP WITH LARGER PORTION OF THEIR REQUIREMENTS COMING DIRECT PURCHASE. INDONESIAN EXPECTATIONS BASED ON PREVIOUS HIGH LEVEL CONTACTS REQUIRE CONTINUATION GRANT MILITARY ASSISTANCE PROGRAM AS LONG AS IT CAN BE SUSTAINED. LOOKING TO FUTURE, HOWEVER, WE HAVE ALREADY BEGUN PHASING IN FMS CREDITS. OV-10 REQUEST IS FIRST MAJOR REQUEST FOR DIRECT PURCHASE. IT COMES, IN PART, AS RESULT EMBASSY'S AWARENESS INDONESIAN PLANS TO BEGIN PURCHASES OF MILITARY EQUIPMENT AND OUR URGING THAT U.S. SOURCES OF PROCUREMENT BE GIVEN FULL CONSIDERATION. TO TURN DOWN THIS REQUEST AT THIS TIME WOULD, IN OUR VIEW, BE DETRIMENTAL TO OUR HOPES TO MOVE TOWARD GREATER PURCHASES AND TO OUR BASIC PLAN FOR INSURING MILITARY RELATIONSHIP BEYOND TIME WHEN CONCESSIONAL ASSISTANCE NO LONGER POSSIBLE. A TURNDOWN WOULD BE ESPECIALLY UNDESIRABLE IN VIEW OF THE FACT THAT PRESIDENT SUHARTO HAS PERSONALLY EXPRESSED HIS INTEREST IN THIS MATTER (REF D).

7. IT WOULD BE HELPFUL TO OVERALL USG/GOI RELATIONS IF THE L/O COULD BE RECEIVED HERE BY THE END OF JULY.
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Message Attributes

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Decaption Date: 01 JAN 1960
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30 JUN 2005

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